

1 A bill to be entitled
2 An act relating to property insurance appraisers and
3 property insurance appraisal umpires; amending s.
4 624.04, F.S.; revising the definition of the term
5 "person"; amending s. 624.303, F.S.; excepting
6 certificates issued to property insurance appraisers
7 and property insurance appraisal umpires from the
8 requirement to bear a seal of the department; amending
9 s. 624.311, F.S.; providing a schedule for destruction
10 of property insurance appraiser and property insurance
11 appraisal umpire licensing files and records; amending
12 s. 624.317, F.S.; authorizing the department to
13 investigate property insurance appraisers, property
14 insurance appraisal umpires, and property insurance
15 appraisal firms for violations of the insurance code;
16 amending s. 624.501, F.S.; authorizing specified
17 licensing fees for property insurance appraisers and
18 property insurance appraisal umpires; amending s.
19 624.523, F.S.; requiring the deposit of fees into the
20 Insurance Regulatory Trust Fund; amending s. 626.015,
21 F.S.; revising the definition of "appraisal" and
22 creating definitions of "property insurance appraisal
23 umpire," "property insurance appraiser," and "property
24 insurance appraisal firm"; amending s. 626.016, F.S.;
25 expanding the scope of the Chief Financial Officer's
26 powers and duties and the department's enforcement
27 jurisdiction to include property insurance appraisers,

28 property insurance appraisal umpires, and property
 29 insurance appraisal firms; amending s. 626.022, F.S.;
 30 including property insurance appraiser, property
 31 insurance appraisal umpire, and property insurance
 32 appraisal firm licensing in the scope of part I of
 33 chapter 626, F.S., relating to licensing to
 34 procedures; amending s. 626.112, F.S.; requiring
 35 licensure as a property insurance appraiser, property
 36 insurance appraisal umpire, or property insurance
 37 appraisal firm; amending s. 626.171, F.S.; requiring
 38 applicants for licensure as a property insurance
 39 appraiser or property insurance appraisal umpire to
 40 submit fingerprints; amending s. 626.207, F.S.;
 41 excluding applicants for licensure as property
 42 insurance appraisers, property insurance appraisal
 43 umpires, and property insurance appraisal firms from
 44 application of s. 112.011, F.S., relating to
 45 disqualification from license or public employment;
 46 amending s. 626.2815, F.S.; requiring specified
 47 continuing education for licensure as a property
 48 insurance appraiser or property insurance appraisal
 49 umpire; amending s. 626.382, F.S.; providing that a
 50 property insurance appraisal firm license continues in
 51 force until canceled, suspended, or revoked or
 52 otherwise terminated by law; amending s. 626.521,
 53 F.S.; authorizing the department to obtain a credit
 54 and character report for certain property insurance

55 appraiser and property insurance appraisal umpire
56 applicants; amending s. 626.536, F.S.; requiring
57 property insurance appraisal firms to submit a copy of
58 certain documents to the department within 30 days
59 after disposition of certain administrative actions;
60 amending s. 626.541, F.S.; requiring a property
61 insurance appraiser or property insurance appraisal
62 umpire to provide certain information to the
63 department when doing business under a different
64 business name or when information in the licensure
65 application changes; amending s. 626.601, F.S.;
66 authorizing the department to investigate improper
67 conduct of any licensed property insurance appraiser,
68 property insurance appraisal umpire, or property
69 insurance appraisal firm; amending s. 626.602, F.S.;
70 authorizing the department to disapprove certain
71 property insurance appraisal firm names; amending s.
72 626.611, F.S.; requiring the department to refuse,
73 suspend, or revoke a property insurance appraiser's or
74 property insurance appraisal umpire's license under
75 certain circumstances; amending s. 626.6115, F.S.;
76 requiring the department to refuse, suspend, or revoke
77 a property insurance appraisal firm license under
78 certain circumstances; amending s. 626.621, F.S.;
79 authorizing the department to refuse, suspend, or
80 revoke a property insurance appraiser's or property
81 insurance appraisal umpire's license under certain

82 | circumstances; amending s. 626.6215, F.S.; authorizing
83 | the department to refuse, suspend, or revoke a
84 | property insurance appraisal firm's license under
85 | certain circumstances; amending s. 626.641, F.S.;
86 | prohibiting a property insurance appraiser or property
87 | insurance appraisal umpire from owning, controlling,
88 | or being employed by other licensees during the period
89 | the appraiser or umpire's license is suspended or
90 | revoked; amending s. 626.6515, F.S.; authorizing the
91 | department to suspend or revoke the license of a
92 | property insurance appraisal firm under the control of
93 | any person who participated in activities resulting in
94 | the suspension or revocation of the license of an
95 | associated firm; amending s. 626.681, F.S.;
96 | authorizing an administrative fine in lieu of or in
97 | addition to suspension, revocation, or refusal of a
98 | property insurance appraisal firm license; amending s.
99 | 626.8443, F.S.; prohibiting a title insurance agent
100 | from owning, controlling, or being employed by a
101 | property insurance appraiser, property insurance
102 | appraisal umpire, or property insurance appraisal firm
103 | during the period the agent's license is suspended or
104 | revoked; creating part XIV of chapter 626, F.S.,
105 | relating to property insurance appraisers and property
106 | insurance appraisal umpires; creating s. 626.9961,
107 | F.S.; providing a short title; creating s. 626.9962,
108 | F.S.; providing legislative purpose; creating s.

109 626.9963, F.S.; providing that the part supplements
 110 part I of chapter 626, F.S., the "Licensing Procedure
 111 Law; creating s. 626.9964, F.S.; providing
 112 definitions; creating s. 626.9965, F.S.; providing
 113 qualifications for license as a property insurance
 114 appraiser or property insurance appraisal umpire;
 115 creating s. 626.9966, F.S.; requiring the department
 116 to issue a license as a property insurance appraisal
 117 firm upon receipt of an application and qualification
 118 for the license; creating s. 626.9967, F.S.;
 119 authorizing the department to refuse, suspend, or
 120 revoke a property insurance appraiser's, property
 121 insurance appraisal umpire's, or property insurance
 122 appraisal firm's license under certain circumstances;
 123 creating s. 626.9968, F.S.; providing ethical
 124 standards; providing an appropriation; providing an
 125 effective date.

126
 127 Be It Enacted by the Legislature of the State of Florida:

128
 129 Section 1. Section 624.04, Florida Statutes, is amended to
 130 read:

131 624.04 "Person" defined.—"Person" includes an individual,
 132 insurer, company, association, organization, Lloyds, society,
 133 reciprocal insurer or interinsurance exchange, partnership,
 134 syndicate, business trust, corporation, agent, general agent,
 135 broker, service representative, adjuster, property insurance

136 appraiser, property insurance appraisal umpire, and every legal
 137 entity.

138 Section 2. Subsection (2) of section 624.303, Florida
 139 Statutes, is amended to read:

140 624.303 Seal; certified copies as evidence.—

141 (2) All certificates executed by the department or office,
 142 other than licenses of agents, property insurance appraisers,
 143 property insurance appraisal umpires, ~~or~~ adjusters, or similar
 144 licenses or permits, shall bear its respective seal.

145 Section 3. Paragraphs (b) and (c) of subsection (4) of
 146 section 624.311, Florida Statutes, are amended to read:

147 624.311 Records; reproductions; destruction.—

148 (4) To facilitate the efficient use of floor space and
 149 filing equipment in its offices, the department, commission, and
 150 office may each destroy the following records and documents
 151 pursuant to chapter 257:

152 (b) Agent, adjuster, property insurance appraiser,
 153 property insurance appraisal umpire, and similar license files,
 154 including license files of the Division of State Fire Marshal,
 155 over 2 years old; except that the department or office shall
 156 preserve by reproduction or otherwise a copy of the original
 157 records upon the basis of which each such licensee qualified for
 158 her or his initial license, except a competency examination, and
 159 of any disciplinary proceeding affecting the licensee;

160 (c) All agent, adjuster, property insurance appraiser,
 161 property insurance appraisal umpire, and similar license files
 162 and records, including original license qualification records

163 and records of disciplinary proceedings 5 years after a licensee
164 has ceased to be qualified for a license;

165 Section 4. Subsection (1) of section 624.317, Florida
166 Statutes, is amended to read:

167 624.317 Investigation of agents, adjusters, property
168 insurance appraisers, property insurance appraisal umpires,
169 administrators, service companies, and others.—If it has reason
170 to believe that any person has violated or is violating any
171 provision of this code, or upon the written complaint signed by
172 any interested person indicating that any such violation may
173 exist:

174 (1) The department shall conduct such investigation as it
175 deems necessary of the accounts, records, documents, and
176 transactions pertaining to or affecting the insurance affairs of
177 any general agent, surplus lines agent, adjuster, property
178 insurance appraiser, property insurance appraisal umpire,
179 property insurance appraisal firm, managing general agent,
180 insurance agent, insurance agency, customer representative,
181 service representative, or other person subject to its
182 jurisdiction, subject to the requirements of s. 626.601.

183 Section 5. Paragraph (c) of subsection (19) and subsection
184 (28) of section 624.501, Florida Statutes, is amended and new
185 subsection (29) is created to read:

186 624.501 Filing, license, appointment, and miscellaneous
187 fees.—The department, commission, or office, as appropriate,
188 shall collect in advance, and persons so served shall pay to it
189 in advance, fees, licenses, and miscellaneous charges as

190 follows:

191 (19) Miscellaneous services:

192 (c) For preparing lists of agents, adjusters, property
193 insurance appraisers, property insurance appraisal umpires, and
194 other insurance representatives, and for other miscellaneous
195 services, such reasonable charge as may be fixed by the office
196 or department.

197 (28) Late filing of appointment renewals for agents,
198 adjusters, property insurance appraisers, property insurance
199 appraisal umpires, and other insurance representatives, each
200 appointment.....\$20.00

201 (29) Property insurance appraisers and property insurance
202 appraisal umpires:

203 (a) Property insurance appraiser's and property insurance
204 appraisal umpire's appointment and biennial renewal or
205 continuation thereof, appointment\$60.00

206 (b) Fee to cover actual cost of credit report, when such
207 report must be secured by department.

208 Section 6. Paragraph (e) of subsection (1) of section
209 624.523, Florida Statutes, is amended to read:

210 624.523 Insurance Regulatory Trust Fund.—

211 (1) There is created in the State Treasury a trust fund
212 designated "Insurance Regulatory Trust Fund" to which shall be
213 credited all payments received on account of the following
214 items:

215 (e) All payments received on account of items provided for
216 under respective provisions of s. 624.501, as follows:

- 217 | 1. Subsection (1) (certificate of authority of insurer).
- 218 | 2. Subsection (2) (charter documents of insurer).
- 219 | 3. Subsection (3) (annual license tax of insurer).
- 220 | 4. Subsection (4) (annual statement of insurer).
- 221 | 5. Subsection (5) (application fee for insurance
- 222 | representatives).
- 223 | 6. The "appointment fee" portion of any appointment
- 224 | provided for under paragraphs (6) (a) and (b) (insurance
- 225 | representatives, property, marine, casualty and surety
- 226 | insurance, and agents).
- 227 | 7. Paragraph (6) (c) (nonresident agents).
- 228 | 8. Paragraph (6) (d) (service representatives).
- 229 | 9. The "appointment fee" portion of any appointment
- 230 | provided for under paragraph (7) (a) (life insurance agents,
- 231 | original appointment, and renewal or continuation of
- 232 | appointment).
- 233 | 10. Paragraph (7) (b) (nonresident agent license).
- 234 | 11. The "appointment fee" portion of any appointment
- 235 | provided for under paragraph (8) (a) (health insurance agents,
- 236 | agent's appointment, and renewal or continuation fee).
- 237 | 12. Paragraph (8) (b) (nonresident agent appointment).
- 238 | 13. The "appointment fee" portion of any appointment
- 239 | provided for under subsections (9) and (10) (limited licenses
- 240 | and fraternal benefit society agents).
- 241 | 14. Subsection (11) (surplus lines agent).
- 242 | 15. Subsection (12) (adjusters' appointment).
- 243 | 16. Subsection (13) (examination fee).

244 17. Subsection (14) (temporary license and appointment as
245 agent or adjuster).

246 18. Subsection (15) (reissuance, reinstatement, etc.).

247 19. Subsection (16) (additional license continuation
248 fees).

249 20. Subsection (17) (filing application for permit to form
250 insurer).

251 21. Subsection (18) (license fee of rating organization).

252 22. Subsection (19) (miscellaneous services).

253 23. Subsection (20) (insurance agencies).

254 24. Subsection (29) (property insurance appraisers' and
255 property insurance appraisal umpires' appointment).

256 Section 7. Subsection (3) of section 626.015, Florida
257 Statutes, is amended, subsections (15), (16), (17), (18), and
258 (19) are renumbered as subsections (18), (19), (20), (21) and
259 (22), respectively, and subsections (15), (16), and (17) are
260 added to that section, to read:

261 626.015 Definitions.—As used in this part:

262 (3) "Appointment" means the authority given by an insurer
263 or employer to a licensee to transact insurance, ~~or~~ adjust
264 claims, or conduct property insurance appraisals on behalf of an
265 insurer or employer.

266 (15) "Property insurance appraisal umpire" means a
267 property insurance appraisal umpire as defined in s. 626.9964.

268 (16) "Property insurance appraiser" means property
269 insurance appraiser as defined in s. 626.9964.

270 (17) "Property insurance appraisal firm" means a property

271 insurance appraisal firm as defined in s. 626.9964.

272 Section 8. Subsection (1) of section 626.016, Florida
 273 Statutes, is amended to read:

274 626.016 Powers and duties of department, commission, and
 275 office.—

276 (1) The powers and duties of the Chief Financial Officer
 277 and the department specified in this part apply only with
 278 respect to insurance agents, insurance agencies, managing
 279 general agents, ~~insurance~~ adjusters, property insurance
 280 appraisers, property insurance appraisal umpires, property
 281 insurance appraisal firms, reinsurance intermediaries, viatical
 282 settlement brokers, customer representatives, service
 283 representatives, and agencies.

284 Section 9. Subsection (1) of section 626.022, Florida
 285 Statutes, is amended to read:

286 626.022 Scope of part.—

287 (1) This part applies as to insurance agents, service
 288 representatives, adjusters, property insurance appraisers,
 289 property insurance appraisal umpires, property insurance
 290 appraisal firms, and insurance agencies; as to any and all kinds
 291 of insurance; and as to stock insurers, mutual insurers,
 292 reciprocal insurers, and all other types of insurers, except
 293 that:

294 (a) It does not apply as to reinsurance, except that ss.
 295 626.011-626.022, ss. 626.112-626.181, ss. 626.191-626.211, ss.
 296 626.291-626.301, s. 626.331, ss. 626.342-626.521, ss. 626.541-
 297 626.591, and ss. 626.601-626.711 shall apply as to reinsurance

298 intermediaries as defined in s. 626.7492.

299 (b) The applicability of this chapter as to fraternal
300 benefit societies shall be as provided in chapter 632.

301 (c) It does not apply to a bail bond agent, as defined in
302 s. 648.25, except as provided in chapter 648 or chapter 903.

303 (d) This part does not apply to a certified public
304 accountant licensed under chapter 473 who is acting within the
305 scope of the practice of public accounting, as defined in s.
306 473.302, provided that the activities of the certified public
307 accountant are limited to advising a client of the necessity of
308 obtaining insurance, the amount of insurance needed, or the line
309 of coverage needed, and provided that the certified public
310 accountant does not directly or indirectly receive or share in
311 any commission or referral fee.

312 Section 10. Subsections (6), (7), and (8) of section
313 626.112, Florida Statutes, are renumbered as subsections (7),
314 (8), and (9), respectively, subsection (9) is renumbered
315 subsection (11) and subsections (6) and (10) are added to read:

316 626.112 License and appointment required; agents, customer
317 representatives, adjusters, property insurance appraisers,
318 property insurance appraisal umpires, property insurance
319 appraisal firms, insurance agencies, service representatives,
320 managing general agents.—

321 (1) (a) No person may be, act as, or advertise or hold
322 himself or herself out to be an insurance agent, insurance
323 adjuster, or customer representative unless he or she is
324 currently licensed by the department and appointed by an

325 appropriate appointing entity or person.

326 (b) Except as provided in subsection (7)~~(6)~~ or in
 327 applicable department rules, and in addition to other conduct
 328 described in this chapter with respect to particular types of
 329 agents, a license as an insurance agent, service representative,
 330 customer representative, or limited customer representative is
 331 required in order to engage in the solicitation of insurance.
 332 For purposes of this requirement, as applicable to any of the
 333 license types described in this section, the solicitation of
 334 insurance is the attempt to persuade any person to purchase an
 335 insurance product by:

336 1. Describing the benefits or terms of insurance coverage,
 337 including premiums or rates of return;

338 2. Distributing an invitation to contract to prospective
 339 purchasers;

340 3. Making general or specific recommendations as to
 341 insurance products;

342 4. Completing orders or applications for insurance
 343 products;

344 5. Comparing insurance products, advising as to insurance
 345 matters, or interpreting policies or coverages; or

346 6. Offering or attempting to negotiate on behalf of
 347 another person a viatical settlement contract as defined in s.
 348 626.9911.

349
 350 However, an employee leasing company licensed pursuant to
 351 chapter 468 which is seeking to enter into a contract with an

352 employer that identifies products and services offered to
353 employees may deliver proposals for the purchase of employee
354 leasing services to prospective clients of the employee leasing
355 company setting forth the terms and conditions of doing
356 business; classify employees as permitted by s. 468.529; collect
357 information from prospective clients and other sources as
358 necessary to perform due diligence on the prospective client and
359 to prepare a proposal for services; provide and receive
360 enrollment forms, plans, and other documents; and discuss or
361 explain in general terms the conditions, limitations, options,
362 or exclusions of insurance benefit plans available to the client
363 or employees of the employee leasing company were the client to
364 contract with the employee leasing company. Any advertising
365 materials or other documents describing specific insurance
366 coverages must identify and be from a licensed insurer or its
367 licensed agent or a licensed and appointed agent employed by the
368 employee leasing company. The employee leasing company may not
369 advise or inform the prospective business client or individual
370 employees of specific coverage provisions, exclusions, or
371 limitations of particular plans. As to clients for which the
372 employee leasing company is providing services pursuant to s.
373 468.525(4), the employee leasing company may engage in
374 activities permitted by ss. 626.7315, 626.7845, and 626.8305,
375 subject to the restrictions specified in those sections. If a
376 prospective client requests more specific information concerning
377 the insurance provided by the employee leasing company, the
378 employee leasing company must refer the prospective business

379 client to the insurer or its licensed agent or to a licensed and
380 appointed agent employed by the employee leasing company.

381 (6) No person shall be, act as, or represent or hold
382 himself or herself out to be a property insurance appraiser or
383 property insurance appraisal umpire unless he or she then holds
384 a currently effective license and appointment as a property
385 insurance appraiser or property insurance appraisal umpire.

386 (10) An individual, firm, partnership, corporation,
387 association, or other entity shall not act in its own name or
388 under a trade name, directly or indirectly, as a property
389 insurance appraisal firm unless it complies with s. 626.9966
390 with respect to possessing a property insurance appraisal firm
391 license for each place of business at which it engages in an
392 activity that may be performed only by a licensed property
393 insurance appraiser or property insurance appraisal umpire.

394 Section 11. Subsections (1) and (4) of section 626.171,
395 Florida Statutes, are amended to read:

396 626.171 Application for license as an agent, customer
397 representative, adjuster, property insurance appraiser, property
398 insurance appraisal umpire, service representative, managing
399 general agent, or reinsurance intermediary.-

400 (1) The department may not issue a license as agent,
401 customer representative, adjuster, property insurance appraiser,
402 property insurance appraisal umpire, service representative,
403 managing general agent, or reinsurance intermediary to any
404 person except upon written application filed with the
405 department, meeting the qualifications for the license applied

406 for as determined by the department, and payment in advance of
407 all applicable fees. The application must be made under the oath
408 of the applicant and be signed by the applicant. An applicant
409 may permit a third party to complete, submit, and sign an
410 application on the applicant's behalf, but is responsible for
411 ensuring that the information on the application is true and
412 correct and is accountable for any misstatements or
413 misrepresentations. The department shall accept the uniform
414 application for nonresident agent licensing. The department may
415 adopt revised versions of the uniform application by rule.

416 (4) An applicant for a license as an agent, customer
417 representative, adjuster, property insurance appraiser, property
418 insurance appraisal umpire, service representative, managing
419 general agent, or reinsurance intermediary must submit a set of
420 the individual applicant's fingerprints, or, if the applicant is
421 not an individual, a set of the fingerprints of the sole
422 proprietor, majority owner, partners, officers, and directors,
423 to the department and must pay the fingerprint processing fee
424 set forth in s. 624.501. Fingerprints shall be used to
425 investigate the applicant's qualifications pursuant to s.
426 626.201. The fingerprints shall be taken by a law enforcement
427 agency, designated examination center, or other department-
428 approved entity. The department shall require all designated
429 examination centers to have fingerprinting equipment and to take
430 fingerprints from any applicant or prospective applicant who
431 pays the applicable fee. The department may not approve an
432 application for licensure as an agent, customer service

433 representative, adjuster, property insurance appraiser, property
 434 insurance appraisal umpire, service representative, managing
 435 general agent, or reinsurance intermediary if fingerprints have
 436 not been submitted.

437 Section 12. Subsection (9) of section 626.207, Florida
 438 Statutes, are amended to read:

439 626.207 Disqualification of applicants and licensees;
 440 penalties against licensees; rulemaking authority.—

441 (9) Section 112.011 does not apply to any applicants for
 442 licensure under the Florida Insurance Code, including, but not
 443 limited to, agents, agencies, adjusters, adjusting firms,
 444 property insurance appraisers, property insurance appraisal
 445 umpires, property insurance appraisal firms, customer
 446 representatives, or managing general agents.

447 Section 13. Subsections (1) and (2) of section 626.2815,
 448 Florida Statutes, are amended to read:

449 626.2815 Continuing education requirements.—

450 (1) The purpose of this section is to establish
 451 requirements and standards for continuing education courses for
 452 individuals licensed to solicit, sell, or adjust insurance or to
 453 serve as a property insurance appraiser or property insurance
 454 appraisal umpire in the state.

455 (2) Except as otherwise provided in this section, this
 456 section applies to individuals licensed to transact ~~engage in~~
 457 ~~the sale of insurance~~ or adjust ~~adjustment of~~ insurance claims
 458 in this state for all lines of insurance for which an
 459 examination is required for licensing and to ~~each insurer,~~

460 ~~employer, or appointing entity, including, but not limited to,~~
461 ~~those created or existing pursuant to s. 627.351~~ individuals
462 licensed to serve as a property insurance appraiser or property
463 insurance appraisal umpire. This section does not apply to an
464 individual who holds a license for the sale of any line of
465 insurance for which an examination is not required by the laws
466 of this state or who holds a limited license as a crop or hail
467 and multiple-peril crop insurance agent. Licensees who are
468 unable to comply with the continuing education requirements due
469 to active duty in the military may submit a written request for
470 a waiver to the department.

471 Section 14. Section 626.382, Florida Statutes, is amended
472 to read:

473 626.382 Continuation, expiration of license; insurance
474 agencies; property insurance appraisal firms.—The license of an
475 insurance agency or property insurance appraisal firm shall
476 continue in force until canceled, suspended, or revoked or until
477 it is otherwise terminated or expires by operation of law.

478 Section 15. Subsection (3) of section 626.521, Florida
479 Statutes, is amended to read:

480 626.521 Character, credit reports.—

481 (3) As to an applicant for an adjuster's, property
482 insurance appraiser's, property insurance appraisal umpire's, or
483 reinsurance intermediary's license who is to be self-employed,
484 the department may secure, at the cost of the applicant, a full
485 detailed credit and character report made by an established and
486 reputable independent reporting service relative to the

487 applicant.

488 Section 16. Section 626.536, Florida Statutes, is amended
489 to read:

490 626.536 Reporting of administrative actions.— Within 30
491 days after the final disposition of an administrative action
492 taken against a licensee, ~~or insurance agency,~~ or property
493 insurance appraisal firm by a governmental agency or other
494 regulatory agency in this or any other state or jurisdiction
495 relating to the business of insurance, the sale of securities,
496 or activity involving fraud, dishonesty, trustworthiness, or
497 breach of a fiduciary duty, the licensee, ~~or insurance agency,~~
498 or property insurance appraisal firm must submit a copy of the
499 order, consent to order, or other relevant legal documents to
500 the department. The department may adopt rules to administer
501 this section.

502 Section 17. Subsections (1) and (3) of section 626.541,
503 Florida Statutes, are amended to read:

504 626.541 Firm, corporate, and business names; officers;
505 associates; notice of changes.—

506 (1) Any licensed agent, ~~or adjuster,~~ property insurance
507 appraiser, or property insurance appraisal umpire doing business
508 under a firm or corporate name or under any business name other
509 than his or her own individual name shall, within 30 days after
510 initially transacting the initial transaction of insurance or
511 engaging in insurance activities under such business name, file
512 with the department, on forms adopted and furnished by the
513 department, a written statement of the firm, corporate, or

514 business name being so used, the address of any office or
515 offices or places of business making use of such name, and the
516 name and social security number of each officer and director of
517 the corporation and of each individual associated in such firm
518 or corporation as to the insurance transactions thereof or in
519 the use of such business name.

520 (3) Any licensed insurance agency or property insurance
521 appraisal firm shall, within 30 days after a change, notify the
522 department of any change in the information contained in the
523 application filed pursuant to s. 626.172 or s. 626.9966.

524 Section 18. Subsection (1) of section 626.601, Florida
525 Statutes, is amended to read:

526 626.601 Improper conduct; inquiry; fingerprinting.—

527 (1) The department or office may, upon its own motion or
528 upon a written complaint signed by any interested person and
529 filed with the department or office, inquire into any alleged
530 improper conduct of any licensed, approved, or certified
531 licensee, insurance agency, agent, adjuster, property insurance
532 appraiser, property insurance appraisal umpire, property
533 insurance appraisal firm, service representative, managing
534 general agent, customer representative, title insurance agent,
535 title insurance agency, mediator, neutral evaluator, navigator,
536 continuing education course provider, instructor, school
537 official, or monitor group under this code. The department or
538 office may thereafter initiate an investigation of any such
539 individual or entity if it has reasonable cause to believe that
540 the individual or entity has violated any provision of the

541 insurance code. During the course of its investigation, the
 542 department or office shall contact the individual or entity
 543 being investigated unless it determines that contacting such
 544 individual or entity could jeopardize the successful completion
 545 of the investigation or cause injury to the public.

546 Section 19. Section 626.602, Florida Statutes, is amended
 547 to read:

548 626.602 Insurance agency or property insurance appraisal
 549 firm names; disapproval.—The department may disapprove the use
 550 of any true or fictitious name, other than the bona fide natural
 551 name of an individual, by any insurance agency or property
 552 insurance appraisal firm on any of the following grounds:

553 (1) The name interferes with or is too similar to a name
 554 already filed and in use by another agency, property insurance
 555 appraisal firm, or insurer.

556 (2) The use of the name may mislead the public in any
 557 respect.

558 (3) The name states or implies that the agency or firm is
 559 an insurer, motor club, hospital service plan, state or federal
 560 agency, charitable organization, or entity that primarily
 561 provides advice and counsel rather than sells or solicits
 562 insurance or provides property insurance appraisal services, or
 563 is entitled to engage in insurance activities not permitted
 564 under licenses held or applied for. This provision does not
 565 prohibit the use of the word "state" or "states" in the name of
 566 the agency. The use of the word "state" or "states" in the name
 567 of an agency does not in and of itself imply that the agency is

568 a state agency.

569 Section 20. Subsection (1) of section 626.611, Florida
570 Statutes, is amended to read:

571 626.611 Grounds for compulsory refusal, suspension, or
572 revocation of agent's, title agency's, adjuster's, property
573 insurance appraiser's, property insurance appraisal umpire's,
574 customer representative's, service representative's, or managing
575 general agent's license or appointment.—

576 (1) The department shall deny an application for, suspend,
577 revoke, or refuse to renew or continue the license or
578 appointment of any applicant, agent, title agency, adjuster,
579 property insurance appraiser, property insurance appraisal
580 umpire, customer representative, service representative, or
581 managing general agent, and it shall suspend or revoke the
582 eligibility to hold a license or appointment of any such person,
583 if it finds that as to the applicant, licensee, or appointee any
584 one or more of the following applicable grounds exist:

585 (a) Lack of one or more of the qualifications for the
586 license or appointment as specified in this code.

587 (b) Material misstatement, misrepresentation, or fraud in
588 obtaining the license or appointment or in attempting to obtain
589 the license or appointment.

590 (c) Failure to pass to the satisfaction of the department
591 any examination required under this code.

592 (d) If the license or appointment is willfully used, or to
593 be used, to circumvent any of the requirements or prohibitions
594 of this code.

595 (e) Willful misrepresentation of any insurance policy or
596 annuity contract or willful deception with regard to any such
597 policy or contract, done either in person or by any form of
598 dissemination of information or advertising.

599 (f) If, as an adjuster, or agent licensed and appointed to
600 adjust claims under this code, he or she has materially
601 misrepresented to an insured or other interested party the terms
602 and coverage of an insurance contract with intent and for the
603 purpose of effecting settlement of claim for loss or damage or
604 benefit under such contract on less favorable terms than those
605 provided in and contemplated by the contract.

606 (g) Demonstrated lack of fitness or trustworthiness to
607 engage in the business of insurance.

608 (h) Demonstrated lack of reasonably adequate knowledge and
609 technical competence to engage in the transactions authorized by
610 the license or appointment.

611 (i) Fraudulent or dishonest practices in the conduct of
612 business under the license or appointment.

613 (j) Misappropriation, conversion, or unlawful withholding
614 of moneys belonging to insurers or insureds or beneficiaries or
615 to others and received in conduct of business under the license
616 or appointment.

617 (k) Unlawfully rebating, attempting to unlawfully rebate,
618 or unlawfully dividing or offering to divide his or her
619 commission with another.

620 (l) Having obtained or attempted to obtain, or having used
621 or using, a license or appointment as agent or customer

622 representative for the purpose of soliciting or handling
623 "controlled business" as defined in s. 626.730 with respect to
624 general lines agents, s. 626.784 with respect to life agents,
625 and s. 626.830 with respect to health agents.

626 (m) Willful failure to comply with, or willful violation
627 of, any proper order or rule of the department or willful
628 violation of any provision of this code.

629 (n) Having been found guilty of or having pleaded guilty
630 or nolo contendere to a felony or a crime punishable by
631 imprisonment of 1 year or more under the law of the United
632 States of America or of any state thereof or under the law of
633 any other country which involves moral turpitude, without regard
634 to whether a judgment of conviction has been entered by the
635 court having jurisdiction of such cases.

636 (o) Fraudulent or dishonest practice in submitting or
637 aiding or abetting any person in the submission of an
638 application for workers' compensation coverage under chapter 440
639 containing false or misleading information as to employee
640 payroll or classification for the purpose of avoiding or
641 reducing the amount of premium due for such coverage.

642 (p) Sale of an unregistered security that was required to
643 be registered, pursuant to chapter 517.

644 (q) In transactions related to viatical settlement
645 contracts as defined in s. 626.9911:

- 646 1. Commission of a fraudulent or dishonest act.
- 647 2. No longer meeting the requirements for initial
648 licensure.

649 3. Having received a fee, commission, or other valuable
 650 consideration for his or her services with respect to viatical
 651 settlements that involved unlicensed viatical settlement
 652 providers or persons who offered or attempted to negotiate on
 653 behalf of another person a viatical settlement contract as
 654 defined in s. 626.9911 and who were not licensed life agents.

655 4. Dealing in bad faith with viators.

656 Section 21. Subsections (1) and (3) of section 626.6115,
 657 Florida Statutes, are amended to read:

658 626.6115 Grounds for compulsory refusal, suspension, or
 659 revocation of insurance agency or property insurance appraisal
 660 firm license.—The department shall deny, suspend, revoke, or
 661 refuse to continue the license of any insurance agency or
 662 property insurance appraisal firm if it finds, as to any
 663 insurance agency or property insurance appraisal firm or as to
 664 any majority owner, partner, manager, director, officer, or
 665 other person who manages or controls such agency or firm, that
 666 any of the following applicable grounds exist:

667 (1) Lack by the agency or firm of one or more of the
 668 qualifications for the license as specified in this code.

669 (3) Denial, suspension, or revocation of a license to
 670 practice or conduct any regulated profession, business, or
 671 vocation relating to the business of insurance by this state,
 672 any other state, any nation, any possession or district of the
 673 United States, any court, or any lawful agency thereof. However,
 674 the existence of grounds for administrative action against a
 675 licensed agency or firm does not constitute grounds for action

676 against any other licensed agency or firm, including an agency
677 or firm that owns, is under common ownership with, or is owned
678 by, in whole or in part, the agency or firm for which grounds
679 for administrative action exist.

680 Section 22. Subsection (1) of section 626.621, Florida
681 Statutes, is amended to read:

682 626.621 Grounds for discretionary refusal, suspension, or
683 revocation of agent's, adjuster's, property insurance
684 appraiser's, property insurance appraisal umpire's, customer
685 representative's, service representative's, or managing general
686 agent's license or appointment.—The department may, in its
687 discretion, deny an application for, suspend, revoke, or refuse
688 to renew or continue the license or appointment of any
689 applicant, agent, adjuster, property insurance appraiser,
690 property insurance appraisal umpire, customer representative,
691 service representative, or managing general agent, and it may
692 suspend or revoke the eligibility to hold a license or
693 appointment of any such person, if it finds that as to the
694 applicant, licensee, or appointee any one or more of the
695 following applicable grounds exist under circumstances for which
696 such denial, suspension, revocation, or refusal is not mandatory
697 under s. 626.611:

698 (1) Any cause for which issuance of the license or
699 appointment could have been refused had it then existed and been
700 known to the department.

701 Section 23. Subsections (3), (5), and (6) of section
702 626.6215, Florida Statutes, are amended to read:

703 626.6215 Grounds for discretionary refusal, suspension, or
 704 revocation of insurance agency or property insurance appraisal
 705 firm license.—The department may, in its discretion, deny,
 706 suspend, revoke, or refuse to continue the license of any
 707 insurance agency or property insurance appraisal firm if it
 708 finds, as to any insurance agency or property insurance
 709 appraisal firm or as to any majority owner, partner, manager,
 710 director, officer, or other person who manages or controls such
 711 insurance agency or property insurance appraisal firm, that any
 712 one or more of the following applicable grounds exist:

713 (3) Having been found guilty of, or having pleaded guilty
 714 or nolo contendere to, a felony in this state or any other state
 715 relating to the business of insurance, or an insurance agency,
 716 or a property insurance appraisal firm, without regard to
 717 whether a judgment of conviction has been entered by the court
 718 having jurisdiction of such cases.

719 (5) Committing any of the following acts with such
 720 frequency as to have made the operation of the agency or firm
 721 hazardous to the insurance-buying public or other persons:

722 (a) Misappropriation, conversion, or unlawful withholding
 723 of moneys belonging to insurers or insureds or beneficiaries or
 724 to others and received in the conduct of business under the
 725 license.

726 (b) Unlawfully rebating, attempting to unlawfully rebate,
 727 or unlawfully dividing or offering to divide commissions with
 728 another.

729 (c) Misrepresentation of any insurance policy or annuity

730 contract, or deception with regard to any such policy or
 731 contract, done either in person or by any form of dissemination
 732 of information or advertising.

733 (d) Violation of any provision of this code or of any
 734 other law applicable to the business of insurance in the course
 735 of dealing under the license.

736 (e) Violation of any lawful order or rule of the
 737 department.

738 (f) Failure or refusal, upon demand, to pay over to any
 739 insurer he or she represents or has represented any money coming
 740 into his or her hands belonging to the insurer.

741 (g) Violation of the provision against twisting as defined
 742 in s. 626.9541(1)(1).

743 (h) In the conduct of business under the license, engaging
 744 in unfair methods of competition or in unfair or deceptive acts
 745 or practices as prohibited under part IX of this chapter.

746 (i) Willful overinsurance of any property insurance risk.

747 (j) Fraudulent or dishonest practices in the conduct of
 748 business arising out of activities related to insurance, or the
 749 insurance agency, or the property insurance appraisal firm.

750 (k) Demonstrated lack of fitness or trustworthiness to
 751 engage in the business of insurance arising out of activities
 752 related to insurance, or the insurance agency, or the property
 753 insurance appraisal firm.

754 (6) Failure to take corrective action or report a
 755 violation to the department within 30 days after an individual
 756 licensee's violation is known or should have been known by one

757 or more of the partners, officers, or managers acting on behalf
758 of the agency or firm. However, the existence of grounds for
759 administrative action against a licensed agency or firm does not
760 constitute grounds for action against any other licensed agency
761 or firm, including an agency or firm that owns, is under common
762 ownership with, or is owned by, in whole or in part, the agency
763 or firm for which grounds for administrative action exist.

764 Section 24. Subsection (4) of section 626.641, Florida
765 Statutes, is amended to read:

766 626.641 Duration of suspension or revocation.—

767 (4) During the period of suspension or revocation of a
768 license or appointment, and until the license is reinstated or,
769 if revoked, a new license issued, the former licensee or
770 appointee may not engage in or attempt or profess to engage in
771 any transaction or business for which a license or appointment
772 is required under this code or directly or indirectly own,
773 control, or be employed in any manner by an agent, agency,
774 adjuster, ~~or~~ adjusting firm, property insurance appraiser,
775 property insurance appraisal umpire, or property insurance
776 appraisal firm.

777 Section 25. Section 626.6515, Florida Statutes, is amended
778 to read:

779 626.6515 Effect of suspension or revocation upon
780 associated agencies or firms.—Upon suspension or revocation of
781 the license of an insurance agency or property insurance
782 appraisal firm, the department may at the same time revoke,
783 suspend, or refuse to continue the license of any other

784 insurance agency or property insurance appraisal firm under the
 785 management, ownership, control, or directorship of any person or
 786 persons who participated in activities which resulted in the
 787 suspension, revocation, or refusal to continue the initial
 788 license if acts occurred at that specific agency or firm
 789 location which are grounds for refusal, suspension, or
 790 revocation of a license under this code. The department shall
 791 not, during the period of revocation or suspension, grant any
 792 new license for the establishment of any additional agency or
 793 firm not in operation at the time of suspension, revocation, or
 794 refusal to any agency or firm under or proposed to be under
 795 substantially the same management, ownership, control, or
 796 directorship of individuals who directed or participated in
 797 activities which resulted in suspension, revocation, or refusal
 798 of an agency or firm license.

799 Section 26. Subsections (1) and (2) of section 626.681,
 800 Florida Statutes, are amended to read:

801 626.681 Administrative fine in lieu of or in addition to
 802 suspension, revocation, or refusal of license, appointment, or
 803 disapproval.—

804 (1) Except as to insurance agencies or property insurance
 805 appraisal firms, if the department finds that one or more
 806 grounds exist for the suspension, revocation, or refusal to
 807 issue, renew, or continue any license or appointment issued
 808 under this chapter, or disapproval of a continuing education
 809 course provider, instructor, school official, or monitor groups,
 810 the department may, in its discretion, in lieu of or in addition

811 to such suspension or revocation, or in lieu of such refusal, or
812 disapproval, and except on a second offense or when such
813 suspension, revocation, or refusal is mandatory, impose upon the
814 licensee, appointee, course provider, instructor, school
815 official, or monitor group an administrative penalty in an
816 amount up to \$500 or, if the department has found willful
817 misconduct or willful violation on the part of the licensee,
818 appointee, course provider, instructor, school official, or
819 monitor group up to \$3,500. The administrative penalty may, in
820 the discretion of the department, be augmented by an amount
821 equal to any commissions received by or accruing to the credit
822 of the licensee or appointee in connection with any transaction
823 as to which the grounds for suspension, revocation, or refusal
824 related.

825 (2) With respect to insurance agencies or property
826 insurance appraisal firms, if the department finds that one or
827 more grounds exist for the suspension, revocation, or refusal to
828 issue, renew, or continue any license issued under this chapter,
829 the department may, in its discretion, in lieu of or in addition
830 to such suspension or revocation, or in lieu of such refusal,
831 impose upon the licensee an administrative penalty in an amount
832 not to exceed \$10,000 per violation. The administrative penalty
833 may, in the discretion of the department, be augmented by an
834 amount equal to any commissions received by or accruing to the
835 credit of the licensee in connection with any transaction as to
836 which the grounds for suspension, revocation, or refusal
837 related.

838 Section 27. Subsection (4) of section 626.8443, Florida
 839 Statutes, is amended to read:

840 626.8443 Duration of suspension or revocation.—

841 (4) During the period of suspension or after revocation of
 842 the license and appointment, the former licensee shall not
 843 engage in or attempt to profess to engage in any transaction or
 844 business for which a license or appointment is required under
 845 this code or directly or indirectly own, control, or be employed
 846 in any manner by any insurance agent or agency, ~~or~~ adjuster, ~~or~~
 847 adjusting firm, property insurance appraiser, property insurance
 848 appraisal umpire, or property insurance appraisal firm.

849 Section 28. Part XIV of chapter 626, Florida Statutes,
 850 consisting of sections 626.9961 through 626.9968, is created to
 851 read:

852 PART XIV

853 PROPERTY INSURANCE APPRAISERS AND PROPERTY INSURANCE APPRAISAL

854 UMPIRES

855
 856 626.9961 Short title.—This part may be referred to as the
 857 "Property Insurance Appraiser and Property Insurance Appraisal
 858 Umpire Law."

859 626.9962 Legislative purpose.—The Legislature finds it
 860 necessary to regulate persons and companies that hold themselves
 861 out to the public as qualified to provide services as property
 862 insurance appraisers, property insurance appraisal umpires, and
 863 property insurance appraisal firms to protect the public safety
 864 and welfare and to avoid economic injury to the residents of

865 this state.

866 (2) This part applies only to property insurance
867 appraisers, property insurance appraisal umpires, and property
868 insurance appraisal firms as defined in this part.

869 626.9963 Part supplements licensing law.—This part is
870 supplementary to part I, the "Licensing Procedures Law."

871 626.9964 Definitions.—As used in this part, the term:

872 (1) "Appraisal" means the process of dispute resolution,
873 conducted pursuant to a personal residential, commercial
874 residential, or commercial property insurance contract, which
875 determines the amount of loss when the insurer and the insured
876 are unable to agree on the amount of the loss, or, if the
877 insurer has elected to repair the property and the insurer and
878 the insured are unable to agree on the scope of repairs.
879 Appraisal occurs after coverage is established.

880 (2) "Competent" means sufficiently qualified and capable
881 of performing an appraisal.

882 (3) "Department" means the Department of Financial
883 Services.

884 (4) "Property insurance appraisal firm" or "appraisal
885 firm" means a person, firm, partnership, corporation,
886 association, or other entity offering property insurance
887 appraisal services as an appraiser or umpire.

888 (5) "Property insurance appraisal umpire" or "umpire"
889 means a person selected by the appraisers representing the
890 insurer and the insured, or, when the appraisers cannot agree,
891 by the court, who is charged with resolving issues that the

892 appraisers are unable to agree upon during the course of an
 893 appraisal.

894 (6) "Property insurance appraiser" or "appraiser" means a
 895 person selected by an insurer or an insured to perform an
 896 appraisal.

897 626.9965 Qualification for license as a property insurance
 898 appraiser or property insurance appraisal umpire.—

899 (1) The department shall issue a license as a property
 900 insurance appraiser or a property insurance appraisal umpire to
 901 a person who meets the requirements of subsection (2) and is one
 902 of the following:

903 (a) A retired county, circuit, or appellate judge.

904 (b) Licensed as an engineer pursuant to chapter 471 or is
 905 a retired professional engineer as defined in s. 471.005.

906 (c) Licensed as a general contractor, building contractor,
 907 or residential contractor pursuant to part I of chapter 489.

908 (d) Licensed or registered as an architect to engage in
 909 the practice of architecture pursuant to part I of chapter 481.

910 (e) A member of The Florida Bar.

911 (f) Licensed as an adjuster pursuant to part VI of chapter
 912 626, which license includes the property and casualty lines of
 913 insurance. An adjuster must have been licensed for at least 3
 914 years as an adjuster before he or she may be licensed as an
 915 appraiser and must have been licensed for at least 5 years as an
 916 adjuster before he or she may be licensed as an umpire.

917 (2) An applicant may be licensed to practice in this state
 918 as an appraiser or umpire if the applicant:

919 (a) Is a natural person at least 18 years of age;
 920 (b) Is a United Stated citizen or legal alien who
 921 possesses work authorization from the United States Bureau of
 922 Citizenship and Immigration;
 923 (c) Is of good moral character;
 924 (d) Has paid the applicable fees specified in s. 624.501;
 925 and
 926 (e) Has, prior to the date of the application for
 927 licensure, satisfactorily completed education courses approved
 928 by the department covering:
 929 1. Insurance claims estimating; and
 930 2. Insurance law, ethics for insurance professionals,
 931 disciplinary trends, and case studies.
 932 (3) The department may not reject an application solely
 933 because the applicant is or is not a member of a given appraisal
 934 organization.
 935 626.9966 Application for property insurance appraisal firm
 936 license.—
 937 (1) The department shall issue a license as a property
 938 insurance appraisal firm to a person who files a written
 939 application with the department and qualifies for such license.
 940 (2) An application for a property insurance appraisal firm
 941 license must be signed by an individual required to be listed in
 942 the application under paragraph (a). An appraisal firm may
 943 permit a third party to complete, submit, and sign an
 944 application on the appraisal firm's behalf; however, the
 945 appraisal firm is responsible for ensuring that the information

946 on the application is true and correct and is accountable for
947 any misstatements or misrepresentations. The application for a
948 property insurance appraisal firm license must include:

949 (a) The name of each owner, partner, officer, director,
950 president, senior vice president, secretary, treasurer, and
951 limited liability company member who directs or participates in
952 the management or control of the appraisal firm, whether through
953 ownership of voting securities, by contract, by ownership of any
954 agency bank account, or otherwise.

955 (b) The residence address of each person required to be
956 listed in the application under paragraph (a).

957 (c) The name, principal business street address, and valid
958 e-mail address of the appraisal firm and the name, address, and
959 e-mail address of the appraisal firm's registered agent or
960 person or company authorized to accept service on behalf of the
961 firm.

962 (d) The physical address of each branch location,
963 including its name, e-mail address, and telephone number, and
964 the date that the branch location began appraisal activities.

965 (e) The name of the appraiser or umpire in full-time
966 charge of the firm office, including branch locations, and his
967 or her corresponding location.

968 (f) The fingerprints of each of the following:

969 1. A sole proprietor;

970 2. Each individual required to be listed in the
971 application under paragraph (a); and

972 3. Each individual who directs or participates in the

973 management or control of an incorporated firm. Fingerprints must
974 be taken by a law enforcement agency or other entity approved by
975 the department and must be accompanied by the fingerprint
976 processing fee specified in s. 624.501. Fingerprints must be
977 processed in accordance with s. 624.34. However, fingerprints
978 need not be filed for an individual who is currently licensed
979 and appointed under this chapter.

980 (g) Such additional information as the department requires
981 by rule to ascertain the trustworthiness and competence of
982 persons required to be listed on the application and to
983 ascertain that such persons meet the requirements of this code.
984 However, the department may not require that credit or character
985 reports be submitted for persons required to be listed on the
986 application.

987 (3) The department shall issue a license to each appraisal
988 firm upon approval of the application, and each firm location
989 must display the license prominently in a manner that makes it
990 clearly visible to any customer or potential customer who enters
991 the firm location.

992 (4) (a) Each place of business established by a property
993 insurance appraisal firm must be in the active full-time charge
994 of a licensed and appointed appraiser or umpire. The appraiser
995 or umpire is considered the appraiser in charge of the firm.
996 The appraiser or umpire in charge of an appraisal firm may also
997 be in charge of additional branch office locations of the firm.

998 (b) Appraisal firms and each branch firm must file the
999 name and license number of the appraiser or umpire in charge and

1000 the physical address of the firm location with the department at
1001 the department's designated website. The designation of an
1002 appraiser or umpire in charge may be changed at the option of
1003 the firm. A change of the designated appraiser or umpire in
1004 charge is effective upon notification to the department, which
1005 shall be provided within 30 days after such change.

1006 (c) For the purposes of this subsection, an appraiser or
1007 umpire in charge is the licensed and appointed appraiser or
1008 umpire who is responsible for the supervision of all individuals
1009 within a firm location.

1010 (d) An appraiser or umpire in charge of a firm is
1011 accountable for misconduct or violations of this code committed
1012 by the licensee or licensees under his or her supervision while
1013 acting on behalf of the firm. This section does not render an
1014 appraiser or umpire in charge criminally liable for an act
1015 unless he or she personally committed the act or knew or should
1016 have known of the act and of the facts constituting a violation
1017 of this chapter.

1018 (e) A firm location may not conduct the business of
1019 insurance appraisal unless an appraiser or umpire in charge is
1020 designated by, and providing services to, the firm at all times.
1021 If the appraiser or umpire in charge designated with the
1022 department ends his or her affiliation with the firm for any
1023 reason and the firm fails to designate another appraiser or
1024 umpire in charge within the 30 days provided for in paragraph
1025 (b) and such failure continues for 90 days, the firm license
1026 shall automatically expire on the 91st day from the date the

1027 designated appraiser or umpire in charge ended his or her
1028 affiliation with the firm.

1029 (5) An individual who conducts business as an appraiser or
1030 umpire in his or her individual name and not employing or
1031 otherwise using the services of or appointing other licensees
1032 shall be exempt from the appraisal firm licensing requirements
1033 of this section.

1034 (6) A branch place of business that is established by a
1035 licensed appraisal firm is considered a branch location and is
1036 not required to be licensed so long as it transacts business
1037 under the same name and federal tax identification number as the
1038 licensed appraisal firm and has designated with the department a
1039 licensed appraiser or umpire in charge of the branch location
1040 and the address and telephone number of the branch location have
1041 been submitted to the department for inclusion in the licensing
1042 record of the licensed appraisal firm within 30 days after
1043 appraisal activities begin at the branch location.

1044 (7) If an appraisal firm is required to be licensed but
1045 fails to file an application for licensure in accordance with
1046 this section, the department shall impose on the firm an
1047 administrative penalty of up to \$10,000.

1048 626.9967 Grounds for refusal, suspension, or revocation of
1049 an appraiser or umpire license or appointment.—The department
1050 may deny an application for license or appointment under this
1051 part; suspend, revoke, or refuse to renew or continue a license
1052 or appointment of an applicant, property insurance appraiser, or
1053 property insurance appraisal umpire; or suspend or revoke

1054 eligibility for licensure or appointment as an appraiser or
1055 umpire if the department finds that one or more of the following
1056 applicable grounds exist:

1057 (1) Violating a duty imposed upon him or her by law or by
1058 the terms of a contract, whether written, oral, expressed, or
1059 implied, during the course of an appraisal; aiding, assisting,
1060 or conspiring with any other person engaged in any such
1061 misconduct and in furtherance thereof; or forming the intent,
1062 design, or scheme to engage in such misconduct and committing an
1063 overt act in furtherance of such intent, design, or scheme. An
1064 appraiser or umpire commits a violation of this part regardless
1065 of whether the victim or intended victim of the misconduct has
1066 sustained any damage or loss; the damage or loss has been
1067 settled and paid after the discovery of misconduct; or the
1068 victim or intended victim is an insurer or customer or a person
1069 in a confidential relationship with the appraiser or umpire or
1070 is an identified member of the general public.

1071 (2) Having a registration, license, or certification to
1072 practice or conduct any regulated profession, business, or
1073 vocation revoked, suspended, or encumbered; or having an
1074 application for such registration, licensure, or certification
1075 to practice or conduct any regulated profession, business, or
1076 vocation denied, by this or any other state, any nation, or any
1077 possession or district of the United States.

1078 (3) Making or filing a report or record, written or oral,
1079 which the appraiser or umpire knows to be false; willfully
1080 failing to file a report or record required by state or federal

1081 law; willfully impeding or obstructing such filing; or inducing
 1082 another person to impede or obstruct such filing.

1083 (4) Agreeing to serve as an appraiser or umpire if service
 1084 is contingent upon the appraiser or umpire reporting a
 1085 predetermined amount, analysis, or opinion.

1086 (5) Agreeing to serve as an umpire, if the fee to be paid
 1087 for his or her services is contingent upon the opinion,
 1088 conclusion, or valuation he or she reaches.

1089 (6) Failure of an umpire or appraiser, without good cause,
 1090 to communicate within 5 business days of a request for
 1091 communication from another appraiser or the umpire or failure or
 1092 refusal to submit recommendations to the opposing appraiser
 1093 within 5 business days of completing the appraisal.

1094 (7) Violation of any ethical standard for appraisers and
 1095 umpires specified in s. 626.9968.

1096 626.9968 Ethical standards for property insurance
 1097 appraisers and property insurance appraisal umpires.-

1098 (1) CONFIDENTIALITY.-

1099 (a) Unless disclosure is otherwise required by law, an
 1100 appraiser or umpire shall maintain confidentiality of all
 1101 information revealed during an appraisal. However, an appraiser
 1102 may disclose such information to the person who hired him or
 1103 her.

1104 (b) An appraiser or umpire shall maintain confidentiality
 1105 in the storage and disposal of records and may not disclose any
 1106 identifying information if materials are used in research,
 1107 training, or statistical compilations.

1108 (2) FEES AND EXPENSES.—

1109 (a) The fees charged by an appraiser or umpire must be

1110 reasonable and consistent with the nature of the case.

1111 (b) In determining fees, an appraiser:

1112 1.a. If charging on an hourly basis, may bill for services

1113 only for actual time spent on or allocated for the appraisal.

1114 b. If charging based on a percentage of the claim, may

1115 not receive more than 20 percent of any additional money paid on

1116 the claim as a result of the appraisal process.

1117 2. May charge for costs actually incurred, and no other

1118 costs.

1119 (c) In determining fees, an umpire:

1120 1. Must charge on an hourly basis and may bill only for

1121 actual time spent on or allocated for the appraisal.

1122 2. May not charge, agree to, or accept as compensation or

1123 reimbursement any payment, commission, or fee that is based on a

1124 percentage of the value of the claim or that is contingent upon

1125 a specified outcome.

1126 3. May charge for costs actually incurred, and no other

1127 costs.

1128 (3) MAINTENANCE OF RECORDS.—An appraiser or umpire shall

1129 maintain records necessary to support charges for services and

1130 expenses, and, upon request, shall provide an accounting of all

1131 applicable charges to the insurer and insured. An appraiser or

1132 umpire shall retain original or true copies of any contracts

1133 engaging his or her services, appraisal reports, and supporting

1134 data assembled and formulated by the appraiser or umpire in

1135 preparing appraisal reports for at least 5 years. The appraiser
1136 or umpire shall make the records available to the department for
1137 inspection and copying within 3 business days of a request. If
1138 an appraisal has been the subject of, or has been admitted as
1139 evidence in, a lawsuit, reports and records related to the
1140 appraisal must be retained for at least 2 years after the date
1141 that the trial ends.

1142 (4) ADVERTISING.—An appraiser or umpire may not engage in
1143 marketing practices that contain false or misleading
1144 information. An appraiser or umpire shall ensure that any
1145 advertisement of his or her qualifications, services to be
1146 rendered, or the appraisal process are accurate and honest. An
1147 appraiser or umpire may not make claims of achieving specific
1148 outcomes or promises implying favoritism for the purpose of
1149 obtaining business.

1150 (5) INTEGRITY AND IMPARTIALITY.—

1151 (a)1. An appraiser or umpire may not accept an appraisal
1152 unless he or she can serve competently, promptly commence the
1153 appraisal and, thereafter, devote the time and attention to its
1154 completion in the manner expected by all persons involved in the
1155 appraisal.

1156 2. An appraiser or umpire shall conduct the appraisal
1157 process in a manner that advances the fair and efficient
1158 resolution of issues that arise. An appraiser shall make all
1159 reasonable efforts to prevent delays, harassment of the insured,
1160 the insurer or other participants, or other abuse or disruption
1161 of the appraisal process.

1162 3. After an appraiser or umpire accepts a selection, the
1163 appraiser or umpire may not withdraw or abandon the selection
1164 unless compelled to do so by unanticipated circumstances that
1165 would render it impossible or impracticable to continue or when
1166 the facts and circumstances of the appraisal prove to be beyond
1167 his or her skill or experience.

1168 4. An appraiser or umpire shall deliberate and decide all
1169 issues within the scope of the appraisal, but may not render a
1170 decision on any other issues. An appraiser or umpire shall
1171 decide all matters justly, exercising independent judgment. An
1172 appraiser or umpire may not delegate his or her duties to any
1173 other person, but may employ the services of independent experts
1174 to assist in preparing estimates.

1175 (b) An umpire may not engage in any business, provide any
1176 service, or perform any act that would compromise his or her
1177 integrity or impartiality.

1178 (6) SKILL AND EXPERIENCE.—An appraiser or umpire shall
1179 decline or withdraw from an appraisal or request appropriate
1180 assistance when the facts and circumstances of the appraisal
1181 prove to be beyond his or her skill or experience.

1182 (7) GIFTS AND SOLICITATION.—During the appraisal process,
1183 an appraiser or umpire may not solicit, give, or accept any
1184 gift, favor, loan, or other item of value or solicit or
1185 otherwise attempt to procure future work from any person who
1186 participates in the appraisal.

1187 Section 29. For the 2016-2017 fiscal year, the sums of
1188 \$74,851 in recurring funds and \$3,882 in nonrecurring funds from

PCS for HB 79

ORIGINAL

2016

1189 the Insurance Regulatory Trust Fund and \$67,398 in recurring
1190 funds and \$38,882 in nonrecurring funds from the Administrative
1191 Trust Fund are appropriated to the Department of Financial
1192 Services, and two full-time equivalent positions with associated
1193 salary rate of 83,106 are authorized, for the purpose of
1194 implementing this act.

1195 Section 30. This act shall take effect October 1, 2016.